VZCZCXRO1470 RR RUEHCN RUEHGH RUEHVC DE RUEHBJ #5950/01 2542344 ZNR UUUUU ZZH R 112344Z SEP 07 ZDK FM AMEMBASSY BEIJING TO RUEHC/SECSTATE WASHDC 1713 RUEAUSA/DEPT OF HHS WASHINGTON DC INFO RUCPDOC/USDOC WASHDC RUEATRS/DEPT OF TREASURY WASHINGTON DC RHMFIUU/DEPT OF HOMELAND SECURITY WASHINGTON DC RUCPDOC/DEPT OF COMMERCE WASHDC RULSDMK/DEPT OF TRANSPORTATION WASHDC RUEAWJA/DEPT OF JUSTICE WASHINGTON DC RUEHRC/DEPT OF AGRICULTURE WASHDC RHEHNSC/NSC WASHDC RUEAEPA/HQ EPA WASHDC RUEHOO/CHINA POSTS COLLECTIVE

UNCLAS SECTION 01 OF 03 BEIJING 005950

SIPDIS

SENSITIVE SIPDIS

EAP/PD FOR NIDA EMMONS HHS FOR OGHA/STEIGER AND PASS TO FDA/LUMPKIN USDA FOR FSIS/RAYMOND USDA FOR FAS OA/YOST, OCRA/ALEXANDER, OSTA/BRANT AND SHNITZLER COMMERCE FOR ITA/HIJIKATA AND CINO STATE PASS TRANSPORTATION FOR NHTSA ABRAHAM/KRATZKE STATE PASS CONSUMER PRODUCTS SAFETY COMMISSION RICH O'BRIEN/INTL **PROGRAMS** STATE PASS USTR CHINA OFFICE/TIM WINELAND STATE PASS OMB/INT'L AFFAIRS STATE PASS HOMELAND SECURITY COUNCIL STATE PASS IMPORT SAFETY WORKING GROUP

E.O. 12958: N/A

TAGS: EAGR ETRD TBIO ECON PREL HHS CH

SUBJECT: WAL-MART PULLS CHICKEN JERKY PET FOOD STRIPS FROM SHELVES DUE TO ALLEGED MELAMINE CONTAMINATION

REF: Beijing 4808

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11. (SBU) Summary: Embassy APHIS Attache and HHS Health Attache were informed separately on August 30 by the General Administration for Quality Supervision, Inspection and Quarantine (AQSIQ) of Wal-Mart's recent decision to remove chicken jerky pet food strips manufactured by two Chinese firms from sale in their stores. FDA conducted testing of chicken jerky products following receipt of consumer complaints of illness/death of pets beginning July 1 to August 30, 2007. FDA testing to date has not/not found any significant levels of contamination that would account for the illness reported in the 62 complaints received and investigated. AQSIQ officials, in a meeting with Health Attache September 4, indicated that they also had not found any melamine in samples of chicken jerky collected from manufacturing firms in China. Furthermore, AQSIQ officials requested additional information about the methodology and testing done by Wal-Mart leading to the removal and indicated they wished Wal-Mart would restock the product, claiming the prior action was destroying the business reputation of the firms involved. End Summary.

REPORTS OF MELAMINE CONTAMINATION IN CHICKEN PET FOOD PRODUCTS

12. (SBU) AQSIQ officials at the end of a regularly scheduled August 30 meeting asked APHIS Attache for more information about the recent Wal-Mart decision to withdraw chicken jerky products manufactured by two Chinese firms, Import Pinyang Pet Product Co.

and Shanghai Bestro Trading Company. APHIS Attache referred the

officials to the HHS Health Attache, who has responsibility within the U.S. Embassy for food safety and had worked with AQSIQ officials before on melamine contamination during the previous plant protein-melamine problems in the spring of 2007.

13. (SBU) AQSIQ faxed a letter to the Health Attache materials regarding Wal-Mart's decision to remove chicken jerky from their shelves. This fax also contained copies of two news stories, one from the International Herald Tribune, dated August 22, 2007 and titled, "Chicken Jerky Strips for Dogs Still Being Tested by FDA"; and another posted August 23, 2007 on News for Cats, Dogs & Owners and titled, "No Melamine found in Chicken Jerky Strip Dog Treats by Indiana State Chemist." In turn, HHS Attached passed this information to both FDA headquarters officials asking for results of their testing and to the Public Relations Officer for Wal-Mart China, similarly seeking more detailed information.

U.S. FDA TESTING RESULTS

14. (SBU) FDA reported back that they had been receiving consumer complaints of illness/death beginning on or around July 1 up to August 30 related to chicken pet treats from China. The products were several different brands with the only common element being they contained chicken and are manufactured in China. To date, FDA indicated they had received 62 complaints that related to various chicken jerky and chicken pet treats. FDA's Center for Veterinary Medicine continues to review veterinary medical records of ill animals and continues to conduct analysis of product both for chemical and microbial contamination. To date, there has been no finding of significant levels of contamination that would account for the illnesses reported. FDA reported that they continue to investigate these findings. FDA also stated that they were aware that Wal-Mart was conducting private laboratory testing of product and removing product from sale.

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trade.

CHINESE AQSIQ AND CIQ TESTING RESULTS

- $\P5$. (SBU) Health Attache in a September 3 meeting requested by AQSIQ shared the FDA testing esults. AQSIQ Department for Supervision on nimal and Plant Quarantine Animal Quarantine Division Deputy Director Peng Zhisheng said that his office had become aware of this alleged melamine contamination issue through a web search identifying that an export firm in Shanghai had been subjected to a "pull and hold" order by Wal-Mart. AQSIQ and the local CIQ conducted tests on chicken pet food products from these firms without finding any traces of melamine. Explaining further with specific timelines and results, Peng indicated that they were aware that a consumer was suing Wal-Mart after a dog's death following the consumption of chicken jerky in late-July. (Peng did not indicate where this happened). The Shanghai CIQ (provincial counterpart to AQSIQ) continues to conduct an investigation into this allegation by testing products from the firms in question. On August 24 the Shanghai CIQ tested 12 samples taken without advance notice from these firms; results showed no evidence of melamine present.
- 16. (SBU) AQSIQ officials expressed an understanding of both FDA's and their own CIQ testing results that no melamine contamination of these pet food chicken jerky products was identified and thus Wal-Mart's results were not confirmed by either side's testing. Peng expressed his positive support for the U.S. government's responsiveness in sharing information from the FDA about this issue, recollecting a similar interaction during the previous collaboration with FDA on the wheat-gluten and rice protein contamination investigations earlier in 2007. They pressed for continued use of a scientific approach to food and pet food safety and indicated their wish to reinstate products from these firms back on the shelves of Wal-Mart. He expressed a similar understanding that Wal-Mart took these actions to protect customers health and safety, but felt this action had a negative impact on

- 17. (SBU) Wal-Mart removed chicken jerky from their shelves on August 20 following reports of the death of a pet and the owner's lawsuit. On August 22, Wal-Mart announced that they had found melamine contamination (20ppm) in 1 of 17 samples tested. This positive result led to the issuance of a "pull and hold" order for these chicken jerky pet food products that later was upgraded to a "pull and return" order after trace elements of melamine were found. In a September 3 email communication with HHS Attache, Wal-Mart China Public Relations Director expressed satisfaction in receiving the FDA results indicating that "they would look into it further" and promised to share their lab results with the Embassy and AQSIQ.
- 18. (SBU) Test results from Silliker Inc., Food Safety & Quality Solutions Laboratory in Illinois show that Bestro's Roasted Chicken Strips were tested in 4 separate batches on August 16 and August 20. All shipments were received by the laboratory from Wal-Mart facilities in Bentonville, Arkansas shipped on July 27. One of the batches, tested on August 20, has confirmation of melamine contamination at 20 ppm, while the other three batches tested on 10 August show less than 10 ppm. Tests on all batches appear to have been done using the FDA GC-MS protocol in Silliker's Barcelona, Spain laboratory.

COMMENT

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19. (SBU) This incident demonstrates how much the relationship between AQSIQ officials and the HHS has evolved since the March/April 2007 melamine contamination of wheat gluten and rice protein that led to the massive pet food recalls in the United States. In this case, information was shared locally with the Embassy and with Washington seeking more specifics from all parties and done in a cordial collaborative fashion looking to understand the data using scientific approaches. While there was some media reporting of this incident, both articles indicated the inability to find more melamine contamination in other samples taken from the stores in Indiana or from the plant in Shanghai. Interestingly and different from other food safety discussion held with U.S. government officials in other settings, AQSIQ is seeking further media reporting, this time hoping to get more coverage of the negative tests results from both the American and Chinese authorities responsible for regulating these pet food products. Their goal was clearly to get the products back on the shelves for sale in Wal-Mart by ending the "pull and hold" orders. AQSIQ's Peng Zhisheng expressed an understanding that this was really a business decision made by Wal-Mart to protect the safety and health of its customers and not a regulatory recall decision. He also indicated to Health Attache an understanding that U.S. FDA officials could not compel Wal-Mart to put product back on sale. AQSIQ reiterated that the actions taken by Wal-Mart had hurt the manufacturers' sales and trade; thus AQSIQ was seeking a way to assist these companies in rebuilding their reputation by having their products declared free of contamination. Finally, AQSIQ expressed appreciation to the Health Attache for FDA's responsiveness, rapid turn around and openness in sharing information on this chicken jerky incident. Peng stated that this episode "demonstrated collaborative and scientific approaches to resolve difficult issues," and was a sign of increased collaborative engagements between U.S. and Chinese officials.

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